

GARAMENDI TO POIZNER: LET VOTERS' WILL STAND ON PROP 103 □

Rules Put in Place Under Garamendi Have Saved Consumers Billions

SACRAMENTO, CA - Lt. Governor John Garamendi today sent a stern letter to Insurance Commissioner Steve Poizner, insisting that proposed new rules that would alter voter-approved protections of Proposition 103, and very likely lead to escalating insurance rates, be subjected to public scrutiny.

In an "Emergency Regulation" yesterday, Poizner proposed weakening regulations for home, auto, and business insurers that have saved California consumers \$62 billion since Proposition 103 was enacted.

"I spent eight years transforming the California Department of Insurance into the best consumer protection agency in America. I will not stand idly by and watch that be dismantled on the backs of consumers," Garamendi said.

"Almost twenty years ago California consumers rose up to take control of their insurance costs by passing prop 103. The measure was put into law to ensure that consumers would have rights in dealing with giant insurance companies. Attempts to short circuit the protections inherent in prop 103 will only lead to another uprising, he added"

"A time of increasing insurance costs and insurer profit is no time to make changes under the cover of darkness. These regulations should be subjected to the same public scrutiny that was given to the original regulations they are seeking to change." the former Insurance Commissioner added.

"In my two terms as Insurance Commissioner, my Administration worked diligently for years to implement these important consumer protections in a fair, open, and transparent way. There is no justifiable reason to weaken them without a thorough public review," Garamendi concluded.

A link to the letter can be found: <http://www.ltg.ca.gov/images/stories/File/5%201%2008%20Poizner%20Letter.pdf>

For Immediate Release

May 1, 2008

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